STATE OF IOWA

DEPARTMENT OF COMMERCE

UTILITIES BOARD

IN RE:

ALTICOMM, INC.

DOCKET NOS. TCU-02-14

TF-02-549

WRU-02-46-3670

ORDER GRANTING APPLICATION, GRANTING WAIVER, APPROVING TARIFF, AND ISSUING CERTIFICATE

(Issued January 6, 2003)

On November 22, 2002, Alticomm, Inc. (Alticomm), filed with the Utilities Board (Board) an application for issuance of a certificate of public convenience and necessity, pursuant to Iowa Code § 476.29 (2001), stating its intention to provide local exchange telecommunications service in the exchanges currently served by the incumbent local exchange company. The application has been identified as Docket No. TCU-02-14. Alticomm has provided the qualifications of its company officers and financial statements and has stated it will support a 2-PIC methodology for dialing parity.

Also on November 22, 2002, Alticomm filed a proposed local exchange tariff with the Board providing the terms, conditions, and rates for local exchange service in listed exchanges as described in the exchange maps and boundaries of the incumbent local exchange company. Revisions to the proposed tariff were filed on

December 3, 2002. The proposed tariff and the revisions have been identified as Docket No. TF-02-549.

lowa Code § 476.29(2) provides that a local exchange carrier shall not be denied a certificate if the Board finds that the applicant "possesses the technical, financial, and managerial ability to provide the service it proposes to render and the Board finds the service is consistent with the public interest."

The Board has reviewed Alticomm's application and finds the necessary technical, financial, and managerial abilities to provide local exchange service has been demonstrated. The Board finds it is in the public interest to approve the application.

Alticomm also states that its service area will mirror the service territories of exchanges and service maps of the incumbent local exchange carrier as they are currently filed and may be modified in the future. Iowa Code § 476.29(4) requires that each certificate define the service territory in which land-line local telephone service will be provided and authorizes the Board to promulgate rules establishing the requirements for filing maps showing the service territory. Subrule 199 IAC 22.20(3) requires that all utilities have maps on file with the Board that show exchange boundaries. The Board finds that Alticomm has complied with the statutory and rule requirements by concurring in the exchange maps of the incumbent local exchange carrier.

Alticomm has requested the Board waive the requirements of 199 IAC 16.5(2), 18.2, and 22.3(1). The waiver request has been identified as Docket No. WRU-02-46-3670.

Alticomm requests a waiver of subrule 199 IAC 16.5(2), which requires the keeping of records according to the uniform system of accounts. Alticomm states it will maintain its books in accordance with generally accepted accounting principles (GAAP). The Board finds this waiver should be granted since records kept in accordance with GAAP accounting are acceptable for a competitive local exchange service provider.

Alticomm also requests the requirements of 199 IAC 18.2 be waived. The rule requires that a regulated public utility keep its records in Iowa. The Board will grant the waiver based on Alticomm's statement that it will make the records available to the Board upon request.

Alticomm also requests a waiver of 199 IAC 22.3(1), requiring it to independently publish a directory. The Board will grant the waiver based upon Alticomm's statement that it will arrange for its customers to be included in the directories published by the incumbent local exchange carrier in the areas where it provides local exchange service.

Rule 199 IAC 1.3 states that the Board may grant waivers if it finds, based upon clear and convincing evidence, that the application of the rule would pose an undue hardship, would not prejudice the substantial legal rights of any person, the

provisions waived are not specifically mandated by statute, and substantially equal protection of public health, safety, and welfare will be afforded after the waiver. The Board has considered the waiver requests as described above and finds that the waiver meets the four criteria of the rule and the evidence in support of the waiver is clear and convincing. Adherence to these rules would be an undue hardship on a competitive telecommunications company just beginning business in lowa. It would be an undue hardship on Alticomm because other competitive carriers have been granted similar waiver requests. The Board finds there are no substantial legal rights of any person that are affected by these waivers and there is no statute that specifically mandates the actions waived. Additionally, the Board finds that there will be substantially equal protection for health, safety, and welfare provided since the actions waived will be completed under different circumstances.

The Board has reviewed the proposed tariff filed on November 22, 2002, and the revisions filed on December 3, 2002, and finds that the filings substantially comply with Board rules for the filing and processing of tariff pages. The tariff contains rates for both business and residential customers. Notice was provided to all affected carriers. The Board will approve the tariff effective the date of this order and issue Alticomm a certificate of public convenience and necessity concurrent with this order.

IT IS THEREFORE ORDERED:

- 1. The application for a certificate of public convenience and necessity filed by Alticomm, Inc., on November 22, 2002, is granted.
- 2. The concurrence in the maps and boundaries of the incumbent local exchange carrier is approved.
- 3. The waiver of 199 IAC 16.5(2), 18.2, and 22.3(1), identified as Docket No. WRU-02-46-3670, is granted as described in this order.
- 4. The tariff filed by Alticomm, Inc., on November 22, 2002, as subsequently modified, is approved effective the date of this order.
- 5. A certificate, identified as Certificate No. 0261, is being issued to Alticomm, Inc., concurrent with this order.

UTILITIES BOARD

	/s/ Diane Munns
ATTEST:	/s/ Mark O. Lambert
/s/ Judi K. Cooper Executive Secretary	/s/ Elliott Smith

Dated at Des Moines, Iowa, this 6th day of January, 2003.